

Director of Central Intelligence

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COPY NO. 10

NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

as of

May 3, 1949

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NSC review completed.

WARNING

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May 3, 1949

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NATIONAL SECURITY COUNCIL

STATUS OF PROJECTS

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1. COMPLETED PROJECTS

(April 18, 1949 - May 2, 1949)

NSC 36/1 CONSTRUCTION OF AIRFIELDS AND STOCKPILING OF AVIATION
GASOLINE IN TURKEY
(See NSC Action No. 205)

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2. PROJECTS UNDER CONSIDERATION BY THE NSC

UNDERSTANDINGS ON EXPORT CONTROL IN EAST-WEST TRADE
(NSC 46)

The Secretary of State on May 3 submitted the reference report on the subject, prepared in the Department of State and recommended that it be placed on the agenda for the Council Meeting on May 5. As further recommended by the Secretary of State, the Secretary of Commerce, the Economic Cooperation Administrator and Ambassador Harriman are being invited to participate in the Council's consideration of this report. Scheduled as Item 1 on the agenda for the 39th NSC Meeting, May 5.

DEVELOPMENTS WITH RESPECT TO WESTERN UNION

(NSC 9 Series; Memo for the Secretaries of State and Defense from Executive Secretary, same subject, dated October 29, 1948; Memo for NSC Members only from Executive Secretary, same subject, dated November 8, 1948)

At its 14th Meeting on July 1, 1948 (NSC Action No. 71), the Council adopted NSC 9/3 on "The Position of the United States with Respect to Support for Western Union and Other Related Free Countries". On July 20, 1948, at the suggestion of the Secretary of Defense, a memo by the JCS entitled "Guidance for U. S. Military Representatives for London Military Discussions on the Western Union of Nations" was circulated for the information of the Council. No action on this memo was requested by the Secretary of Defense.

On October 29, 1948, pursuant to the suggestion of the Secretary of Defense, the Department of State and the JCS were requested to prepare progress reports on developments with respect to Western Union and the military conversations in London, respectively (reference memo to Secretaries of State and Defense of October 29). The report by the Department of State (NSC 9/5) was circulated to the Council for information on November 8, including a statement on page 4 of "Issues to be Decided by U. S. Government Within Coming Weeks". At the same time, a document, dated September 9, 1948, and entitled "Washington Exploratory Conversations on Security" was circulated by the reference memo of November 8 for the information of Council members only (see footnote, page 2 of NSC 9/5). The document had been drafted as a working paper during the summer of 1948 in the Washington conversations with representatives of the Canadian, British, French, and Benelux Governments.

Subsequently the report by the JCS was circulated for the information of the Council as NSC 9/6 and contained on page 5 a list of "Issues to be Decided by U. S. Government Within Coming Weeks".

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UNDER CONSIDERATION BY NSC (Cont'd)

By memorandum for the other Council members only, dated January 4, 1949, a memorandum by Acting Secretary of State Lovett was circulated for the information of the Council together with a copy of a document, dated December 24, 1948, and entitled "Washington Security Talks." This constituted a later draft of the September 9 document which was put before all governments for consideration at that time.

At the 31st Meeting of the Council on January 6, 1949, Acting Secretary Lovett gave an off-the-record briefing to the Council of developments with respect to the proposed North Atlantic Pact, based on the document mentioned in the preceding paragraph, dated December 24, 1948. During this discussion the Council also considered informally the views of the Joint Chiefs of Staff as expressed in a memorandum from the JCS to the Secretary of Defense, subject, "North Atlantic Pact", dated January 5, 1949, and forwarded by the Secretary of Defense to the Secretary of State in a letter dated January 6, 1949.

A later document from the Department of State dated January 14, 1949, which replaced the December 24, 1948 draft, was circulated for the other Council members only by a memorandum, subject, "Proposed North Atlantic Security Arrangement", dated February 2, 1949. No action on this memorandum was requested by the Department of State.

The Secretary of State on May 3, 1949, submitted a memorandum for consideration by the Council (NSC 9/7) with the suggestion that the subject, "Developments with Respect to Western Union," be removed from the list of projects under consideration by the Council. Scheduled as Item 2 on the agenda of the 39th Council meeting, May 5.

THE POSITION OF THE U. S. WITH RESPECT TO GERMANY
(Memos for NSC from Executive Secretary, same subject, dated April 28 and 29.)

The Under Secretary of State submitted for Council notation the Agreements on Germany reached by the Foreign Ministers of the three Western Powers at the recent conferences in Washington and a policy paper on Germany which the Secretary of State placed before the President for his information on March 31. These reports have been scheduled as Item 3 on the agenda for the 39th NSC Meeting, May 5. (See also Section 3, "Projects under consideration by the NSC Subcommittee on Germany".)

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UNDER CONSIDERATION BY THE NSC (Cont'd)

INTERIM TERMS OF REFERENCE OF SANACC
(NSC 25/1)

Recommendation by SANACC that Committee's present terms of reference be extended was submitted to the Council for consideration on April 13, 1949. Approved by NSRB, April 14; by State and Navy, April 22; Treasury, April 27. Awaiting action by Defense, Army, and Air Force.

RECOMMENDATIONS WITH RESPECT TO U. S. POLICY TOWARD JAPAN
(NSC 13/2; NSC Action No. 124; Memo for NSC from Executive Secretary, same subject, dated April 29, 1949)

At its 23rd Meeting on October 7 the Council adopted NSC 13/1, subject to amendments, and agreed that paragraphs 5, 9 and 20 should be submitted separately (NSC Action No. 124). Approved report circulated as NSC 13/2. Paragraph 5 adopted as of October 26, and paragraph 9 as of November 19, by NSC Actions Nos. 138 and 143 respectively. Amendment to paragraph 5 adopted February 1 by NSC Action No. 177. Proposed paragraph 20 on reparations, as agreed by the Departments of State and the Army for incorporation into NSC 13/2, submitted for consideration by the Council by memorandum dated April 29. Awaiting action by all members.

THE CENTRAL INTELLIGENCE AGENCY AND NATIONAL ORGANIZATION FOR INTELLIGENCE

(Memos for NSC from Executive Secretary, same subject, dated January 24, March 2, March 8, and April 4, 1949)

At its 37th Meeting, (NSC Action No. 202) the Council considered the reference memos on the subject and referred them to the Secretaries of State and Defense to prepare, in consultation with the Secretary of the Treasury and the Attorney General and in the light of the Council discussion, specific recommendations for Council action. Awaiting report from the Secretaries of State and Defense.

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3. PROJECTS UNDER CONSIDERATION BY THE NSC SUB-COMMITTEE ON GERMANY
(NSC Action No. 176)

The Sub-committee met initially on January 28, 1949, pursuant to the reference action, approved a procedure for its activities and designated representatives as a Steering Group. It was agreed that the Department of State would prepare for consideration by the Steering Group the first draft of a restatement of our policy toward Germany, and that the Steering Group should undertake concurrently the preparation of position papers on the following problems, the first four of which should have priority over the remainder:

1. Occupation Statute for Western Germany
2. Trizonal Fusion Agreement
3. German Constitution
4. Ruhr Control Plan
5. Prohibited and Restricted Industries
6. Reparations
7. Western Germany's Long-Range Economic Program
(GARIOA and ECA)
8. Western Berlin Currency Situation

The Steering Group has held fifteen meetings to date, during which policy toward Germany and the above problems were discussed, as well as the question of administrative arrangements for Germany.

Awaiting report by the Sub-committee.

(See also THE POSITION OF THE U. S. WITH RESPECT TO GERMANY,
Section 2.)

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4. PROJECTS UNDER CONSIDERATION BY THE NSC CONSULTANTS

MEASURES REQUIRED TO ACHIEVE U. S. OBJECTIVES WITH RESPECT TO
THE USSR

(Ref. NSC 20/4; NSC 35; Memo for Consultants from Executive Secretary dated March 30, 1949)

On the basis of the statement of U. S. risks and objectives with respect to the USSR (NSC 20/4) as adopted by the Council and approved by the President, the Staff drafted specific measures required to achieve those objectives, pursuant to NSC Action No. 88-b. In this connection the Staff considered the views of the JCS on military commitments, which were circulated as NSC 35 for Council information and Staff use. Staff draft report presented to Consultants January 11. Referred back to the Staff for revisions in the light of the discussion at the Consultants' meeting on January 17. Staff request that JCS views on "military readiness" be obtained for use in completing final draft of report was transmitted to the Secretary of Defense, January 19. JCS views incorporated by the NSC Staff in a draft report submitted to the Consultants by memorandum dated March 30. Concurred in by Navy and NSRB, April 1; by Air Force, April 5; by Army, April 12. Awaiting action by State.

UNITED STATES POLICY IN THE EVENT OF A COMMUNIST THREAT TO ICELAND
(NSC 40; Memo for Consultants from Executive Secretary, same subject, dated April 21, 1949)

Study by the JCS on "Future Operations in Iceland" circulated at the request of the Secretary of Defense and with the concurrence of the Secretary of State to the Council for information and referred to the NSC Staff for preparation of a report for Council consideration. Draft report submitted to Consultants April 21. NSRB concurred April 22; Navy, April 26; Defense, April 27; Army and Air, April 29. Awaiting action by State.

PLANNING FOR LIMITED JAPANESE ARMED FORCES

(NSC 44 and memo for NSC from Executive Secretary, subject, "Limited Military Armament for Japan", dated March 11, 1949; Memo for Consultants from Executive Secretary, above subject, dated April 27, 1949)

Study by the Department of the Army, "Limited Military Armament for Japan", and comments thereon by General MacArthur and the JCS, referred by the Secretary of Defense for examination by the NSC Staff with a view to preparing possible amendments to NSC 13/2 for Council consideration. Draft report submitted to the Consultants, April 28. Concurred in by Defense and Navy, May 3. Awaiting action by State, Army, Air and NSRB.

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5. PROJECTS IN PREPARATION BY NSC STAFF

(NONE)

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6. OTHER CURRENT PROJECTS

DISPOSITION OF THE FORMER ITALIAN COLONIES IN AFRICA (NSC 19/1 and 19/2; Memo for Secretary of State from Executive Secretary, same subject, dated December 15, 1948)

At its 17th Meeting, August 5, the NSC reviewed and discussed the subject but deferred further action pending the results of negotiations referred to by the Department of State in NSC 19/2. As suggested by the Secretary of Defense in the reference memo, the Department of State was requested to prepare a progress report summarizing implementation of NSC 19/1, setting forth any suggestions concerning changes in NSC 19/1 as a basis for reconsideration by the NSC of the policies approved in that report. Awaiting report from State.

INTERNAL SECURITY (NSC 17/4)

Pursuant to paragraph 2-b of NSC 17/4, the Secretaries of State, Treasury and Defense, and the Attorney General designated their representatives on the Interdepartmental Committee on Internal Security. Pursuant to paragraph 7 of NSC 17/4, the ICIS has been requested by memorandum dated April 21 to submit to the NSC, if possible within the next 30 days, a proposed ICIS charter. Awaiting draft charter from ICIS. Pursuant to paragraph 7 of NSC 17/4, the Interdepartmental Intelligence Conference has been requested by memorandum dated March 23 to submit to the NSC, if possible within the next 30 days, a proposed IIC charter. Awaiting draft charter from IIC.

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7. DEFERRED PROJECTS

NATIONAL SECURITY OBJECTIVES OF THE UNITED STATES

Study initiated by NSC Staff December 2, 1947 as a long-term project. First draft issued February 25, 1948. Further consideration subsequently deferred until after NSC action on the NSC 20 and 35 Series. Awaiting completion of a study on this subject being prepared by the Department of State as a long-term project.

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8. CANCELLED PROJECTS

ANALYSIS OF ALTERNATIVE RELATIONS BETWEEN SCANDINAVIAN COUNTRIES AND
WESTERN POWERS CONCERNING NORTH ATLANTIC SECURITY AND MILITARY AID

The Secretary of State informally requested the NSC Staff to prepare an analysis on the above subject for Council consideration. A report by the JCS on "Anticipated Position of Scandinavia in Strategic Considerations", dated February 10, 1949, was made available informally by the Office of the Secretary of Defense for use by the NSC Staff in the preparation of this study. In view of subsequent developments, this project has been cancelled at the request of the originating agency.

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